

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: ADVANCED TELCOM GROUP, INC. vs. U S WEST COMMUNICATIONS, INC.	DOCKET NO. FCU-99-2
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ORDER INITIATING COMPLAINT PROCEEDINGS

(Issued May 7, 1999)

On April 27, 1999, Advanced TelCom Group, Inc. (ATG), filed a complaint with the Board concerning the alleged actions of U S WEST Communications, Inc. (U S West), related to U S West's proposed sale of certain exchanges in Iowa. ATG alleges U S West will not qualify ATG as a bidder for the local exchanges, will not tell ATG how bidders may become qualified, and may be excluding other current and potential competitors from the bidding process. ATG submits that U S West is trying to limit the pool of available bidders in an effort to prevent market entry by possible competitors. ATG asks the Board to investigate U S West's practices in this respect.

ATG says that, if necessary, it will challenge any application filed with the Board for approval of any sale resulting from U S West's bid process, arguing that any such sale is contrary to the public interest due to exclusion of bidders like ATG. ATG submits that, if its arguments are not presented until an application for approval of the sale is pending before the Board, U S West will argue it is too late to change

the bid process, due to the significant resources that will have been expended by that time. Accordingly, ATG asks the Board to review the matter now.

ATG alleges it can demonstrate U S West's actions which have prevented ATG from qualifying and bidding are discriminatory and "violate the spirit of the Communications Act, as amended."

Pursuant to IOWA CODE § 476.3(1) (1999), when the Board receives a written complaint the Board can forward the complaint to the public utility for an answer in writing within a reasonable time to be specified by the Board. If the Board determines the public utility's response is inadequate or there appears to be any reasonable ground for investigating the complaint, the Board will then initiate a formal proceeding. Consistent with this process, the Board is not initiating a contested case, notice-and-hearing proceeding at this time. Instead, the Board will forward a copy of ATG's complaint to U S West for a written answer, which must be filed in this docket within ten days of the date of this order.

IT IS THEREFORE ORDERED:

1. The complaint filed by Advanced TelCom Group, Inc., on April 27, 1999, is docketed as Docket No. FCU-99-2.
2. The Executive Secretary of the Board shall cause a copy of this order and the ATG complaint to be delivered to U S West by facsimile transfer and by U.S. mail.

3. U S West is directed to file an answer to the ATG complaint within ten days of the date of this order.

UTILITIES BOARD

/s/ Allan T. Thoms_____

/s/ Susan J. Frye_____

ATTEST:

/s/ Raymond K. Vawter, Jr._____
Executive Secretary

Dated at Des Moines, Iowa, this 7th day of May, 1999.